



## Republicans air deficit worries

By Peronet Despeignes, USA TODAY

WASHINGTON — President Bush faces the growing risk of a mutiny within his own party by fiscal conservatives who are worried about the increasing budget deficit.

More than 90 House Republicans plan to meet Jan. 22-23 under the auspices of the House Republican Study Committee to discuss ways to stop what leaders call excessive government spending - most of which has been initiated by the Bush White House and approved by the Republican Congress.

Rep. Sue Myrick, R-N.C., predicted serious talk at the annual retreat of ways to "get a handle on the deficit."

"Spending is going to be a major, major, major part of the discussion," she said.

Myrick, who chairs the group, said she could not predict what the members would decide, but she warned that they could decide to reject any major new spending initiatives.

"There's a lot of concern about this, and, in my view, we should have a united front on the issue," Myrick said. "Everything should be on the table. We've got to start taking a stand, and say we're not going to continue doing this."

The conservatives' anger is the latest example of widening resistance to sharp increases in government spending and the budget deficit. Myrick's comments came as Bush announced Wednesday costly new moon and Mars missions, and as he gears up for the release Feb. 2 of his 2005 budget.

Skeptics dismiss remarks like Myrick's as idle talk in an election year, when Republicans are likely to be more unified than usual. "No way. I don't believe it," said Thomas Kahn, an adviser to Rep. John Spratt of South Carolina, senior Democrat on the House Budget Committee. "The one thing we're always struck by is the GOP's remarkable discipline," he says. "These kinds of efforts usually come to nothing."

But those within the GOP study group say their unease cannot be dismissed. "The seeds are there for a budget revolt," said Gil Gutknecht, R-Minn., vice chair of the House Science Committee and a member of the House Budget Committee. He described himself as "lukewarm" to the president's announcement of a new space mission, which could cost \$400 billion to more than \$1 trillion, judging from past government and private estimates of similar mission proposals. "I don't know if it's going to be this year or next, but a revolt is coming if things keep going the way they are," he said.

During the first two fiscal years that Bush had control of the budget, 2002 and 2003, annual federal government spending has grown more than 16% to \$2.2 trillion in 2003, the biggest two-year increase in a decade. Discretionary spending, the money Congress approves each year for defense, highway construction, education and just about everything else the government does outside big "entitlement" programs such as Social Security, has grown 26% to about \$824 billion, the biggest two-year increase in more than 20 years.

The spending surge and tax cuts widened the deficit to a record \$374 billion last year and are expected to drive it to \$500 billion this year.

The White House insists it has pushed for spending restraint outside defense funding, but its own budget figures show eight of 14 departments have seen spending increases in excess of 20% since Bush took office. The Education Department, thanks to the "No Child Left Behind Act," has seen its budget surge 60% to about \$60 billion.

Criticism of Bush administration budget policies appears to be gaining momentum:

- In *The Price of Loyalty*, a book by Ron Suskind out this week, Bush's ex-Treasury secretary Paul O'Neill says the administration put tax cuts and short-term political gain ahead of the nation's long-term economic well-being. He says his warnings about the risk of a "fiscal crisis" were dismissed.

- The International Monetary Fund, which typically censures the budget policies of Third World, debt-heavy countries such as Argentina and Uganda, recently warned that U.S. budget deficits risked destabilizing financial markets and stunting global investment and economic growth.

- Brian Riedl, a public policy analyst at the conservative Heritage Foundation, says Bush administration policymakers "have successfully blurred the distinction between national security and other spending by simply adding 'defense' or 'homeland security' to the titles of their old, rejected spending proposals."

- The General Accounting Office's Republican comptroller, David Walker, said in a speech last September at the National Press Club: "Our deficits are not manageable without significant changes in programs, policies and processes."

The White House counters that its budget policies are responsible. Treasury Secretary John Snow said on ABC's *This Week* Sunday, "This is an administration committed to fiscal responsibility. The budget that comes forward will be one that advances the priorities of the country but within a fiscally responsible framework."

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